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MEDICARE AND EMPLOYER HEALTH PLANS

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MEDICARE AND EMPLOYER HEALTH PLANS

If You Are Age 65 or Older

And you are working,

Or, you have a spouse, any age, who works,

And your or your spouse's firm has 20 or more employees,

You must be offered the same health insurance benefits that the employer offers younger workers and spouses. (This also applies if you or your spouse is self-employed and covered by a plan through connection with a firm that has 20 or more employees.)*

If You Are Under Age 65

And you are entitled to Medicare based on disability,

And you or a member of your family works for an employer who has 100 or more employees,

The employer must offer you the same health insurance benefits offered to employees who are not entitled to Medicare.*

Must I Accept The Employer Plan?

You may accept or reject the plan offered by your or your spouse's employer. If you accept the employer plan, it will be your primary plan.

*This description of employer health plan coverage does not apply to Medicare beneficiaries who have permanent kidney failure. Individuals under age 65 with permanent kidney failure who have employer group health plan coverage should get a copy of HCFA Publication No. 10128, **Medicare Coverage of Kidney Dialysis and Kidney Transplant Services**

WHAT IS A PRIMARY PLAN?

A primary health insurance plan is a plan that pays first for any covered health care services you receive. For example, if you or your spouse is age 65 or older and working and you are covered by an employer plan and by Medicare, your employer plan is the primary payer. Medicare is the secondary payer.

IF I ACCEPT THE EMPLOYER PLAN HOW DOES IT AFFECT MY MEDICARE COVERAGE?

If your employer plan does not pay all of the charges, Medicare may pay secondary benefits for Medicare covered services. In other words, it can help pay some of the expenses not paid by the employer plan. If you are not already entitled to Medicare hospital insurance (Medicare Part A), you should apply for it. It can supplement your employer plan.

Whether you wish to enroll in or keep Medicare medical insurance (Medicare Part B) will depend on how fully the employer plan covers the doctors' and other health services that Medicare medical insurance covers. You need to consider whether the secondary benefits Medicare medical insurance would pay are worth the cost to you.

ISN'T THERE A PENALTY FOR SIGNING UP LATE FOR MEDICARE MEDICAL INSURANCE (PART B)?

Not in all cases. If you are covered under an employer plan from the time you are first eligible for Medicare, special rules give you 7 months to enroll in Medicare medical insurance beginning when the employee stops working or drops the employer plan, whichever occurs first. However, if you expect work to stop or the employer plan coverage to end with the month you reach age 65 or any of the three following months, you should inquire immediately at your Social Security office to find out about enrolling in Medicare medical insurance.

WHAT IF I DON'T WANT THE EMPLOYER PLAN?

If you don't accept your or your spouse's employer plan, Medicare is your primary payer. This also applies to disabled individuals who do not accept their own or a family member's plan. But if you make that choice, the employer plan cannot pay supplemental benefits for Medicare-covered services. You must buy your own supplemental health insurance or "Medigap" plan, if you feel you need such additional protection.

Even if you don't accept your or your spouse's employer plan and Medicare is your primary payer, your employer or your spouse's employer can offer health insurance protection for health care services that are not covered by Medicare (such as hearing aids or routine dental care).

WHAT DO I DO ABOUT FILING CLAIMS IF I HAVE EMPLOYER PLAN COVERAGE?

Claims should be filed first with the employer's group health plan and then with Medicare.

You should give the hospital, doctor, or any other supplier of covered services the necessary information about the employer plan (name, policy number, etc.) and inform them that the employer plan should be billed first.

If, for any reason, your doctor or supplier does not submit claims to the employer plan, send your own claim first to the employer plan or ask your personnel office to assist you. If the employer plan does not pay in full for services Medicare covers, enclose a copy of the employer plan explanation of benefits with your claim to Medicare for secondary benefits.

WHERE CAN I GET ADDITIONAL INFORMATION?

If you have questions or need additional advice about Medicare eligibility or benefits, contact your nearest Social Security office or the Medicare insurance carrier that handles your Medicare claims. (If you're entitled to Medicare under the Railroad Retirement system, contact your nearest Railroad Retirement Board district office.) For information on your private group plan coverage, consult your employer or your spouse's employer.

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